

# MACKENZIE DISTRICT COUNCIL

## MINUTES OF A MEETING OF THE FINANCE COMMITTEE HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY 20 OCTOBER 2009 AT 9.10 AM

### **PRESENT:**

Simon McDermott (Chairman)  
John O'Neill (Mayor)  
Graham Smith  
Evan Williams (from 10.50 am)  
Leon O'Sullivan  
Graeme Page

### **IN ATTENDANCE:**

Glen Innes (Chief Executive Officer)  
Paul Morris (Manager – Finance and Administration)  
Rosemary Moran (Committee Clerk)

### **I APOLOGIES:**

Resolved that an apology for lateness be received from Cr Williams.

**Graham Smith/Graeme Page**

### **II MINUTES:**

Resolved that the Minutes of the meeting of the Finance Committee held on 8 September 2009 be confirmed and adopted as the correct record of the meeting.

**Dave Pullen/Graham Smith**

### **III REPORTS:**

#### 1. FINANCIAL REPORT – AUGUST 2009:

This report from the Manager – Finance and Administration was accompanied by the financial reports for the Council for the year to August 2009.

Resolved that the report be received.

**Leon O'Sullivan/Graham Smith**

#### 2. BANCORP QUARTERLY REPORT:

This report from the Manager – Finance and Administration was accompanied by the quarterly report from Bancorp Treasury Services to 30 September 2009.

Resolved that the report be received.

**Graeme Page/Graham Smith**

The meeting was adjourned at 10.30 am for morning team and reconvened at 10.50 am.

Cr Williams joined the meeting at 10.50 am.

3. EXPECTED BUDGET OVERRUNS:

This report from the Manager – Finance and Administration advised Council of anticipated budget overruns and sought approval for unbudgeted expenditure in the 2009/10 financial year.

Resolved that the report be received.

**Graham Smith/Dave Pullen**

Resolved that Council approves the expected budget overrun for the Burkes Pass Water Supply of \$1,000 and that a review of the activity be carried out in conjunction with the Burkes Pass Water Supply Ratepayers.

**Dave Pullen/Leon O’Sullivan**

Resolved:

1. That the estimated budget overrun in rural roading of \$40,000 be funded by compensatory savings in other areas of the roading budget.
2. That a report on the funding of the budget overrun in rural roading be submitted to the next Council meeting.

**Graeme Page/Graham Smith**

Resolved that the Council approves the additional expenditure of \$8,315 to reinstate the water and waste water trench at the Lochinver Subdivision, SH 8, Lake Tekapo.

**The Mayor/Leon O’Sullivan**

4. ROADING OPERATING DEFICIT:

This report from the Manager – Finance and Administration provided options for the use of the carried forward balance in the Professional Roding Business Unit and any current deficiencies that had occurred in the four roading activities.

Resolved that the report be received.

**Dave Pullen/Evan Williams**

Resolved:

1. That the deficit balance of \$108,688 be left with the Professional Roding Business Unit and approach NZTA to discuss an increase in funding of this unit over the next 2 years.
2. That future three year claims be structured in line with NZTA’s philosophy of break even or 10% excess of income over expenditure, and that the profits be used to reduce the deficit over time.

**Graham Smith/Evan Williams**

Resolved that \$50,000 be transferred from the Tekapo Works and Services Operating Reserve surplus of \$125,078 to the Tekapo Roding Capital Reserve account to offset the current year's operating deficit of \$27,570 and provide a small buffer to carry into the new financial year.

**The Mayor/Evan Williams**

5. CARRIED FORWARD EXPENDITURE:

This report from the Manager – Finance and Administration sought approval of expenditure committed to prior to 30 June 2009 to carry forward into the 2009/10 year.

Resolved that the report be received.

**Graham Smith/Graeme Page**

Resolved that the Finance Committee approves the following items as carried over expenditure from the 2009 financial year to the 2009/10 financial year.

| # | Township/Area | Service          | Project                                       | Budgeted<br>2008/09<br>\$ | Carried<br>forward<br>Commitment<br>\$ | Funded                       |
|---|---------------|------------------|-----------------------------------------------|---------------------------|----------------------------------------|------------------------------|
| 1 | Fairlie       | Sewer            | CCTV                                          | 5,420                     | 5,420                                  | Fairlie Sewer                |
| 2 | Tekapo        | Sewer            | CCTV                                          | 5,420                     | 3,260                                  | Tekapo Sewer                 |
| 3 | Tekapo        | Sewer            | Consent Monitoring                            | -                         | 3,100                                  | Tekapo Sewer                 |
| 4 | Tekapo        | Water            | Service Connections – Pioneer Drive           | 97,000                    | 111,885                                | Capital Reserve              |
| 5 | Twizel        | Sewer            | CCTV                                          | 5,420                     | 5,420                                  | Twizel Sewer                 |
| 6 | Twizel        | Sewer            | Pole Vents Twizel STEP Sewer                  | 60,000                    | 17,109                                 | Capital Reserve              |
| 7 | Twizel        | Council Building | Maintenance painting of Twizel Admin Building | 3,000                     | 3,000                                  | Building Maintenance Reserve |
| 8 | Twizel        | Events Centre    | Paint Gym Exterior                            | 3,000                     | 3,000                                  | Building Maintenance Reserve |

**The Mayor/Evan Williams**

6. ANNUAL REPORT:

This report from the Manager – Finance and Administration was accompanied by the Annual Report for the 2009 financial year.

Resolved:

1. That the report be received.

2. That the Annual Report for the year ended 30 June 2009 be adopted subject to final audit clearance.
3. That the Council approves for distribution the Annual Report Summary for the financial year ended 30 June 2009 subject to final clearance.

**Graeme Page/Evan Williams**

**THERE BEING NO FURTHER BUSINESS THE  
CHAIRMAN DECLARED THE MEETING CLOSED AT 12.00 PM**

**CHAIRMAN:** \_\_\_\_\_

**DATE:** \_\_\_\_\_